

Sample Contract – Not for legal contracting purposes.

Exhibit A
PROJECT PROPOSALS, ENERGY SAVINGS, AND PROJECT BUDGETS
Effective on the date executed by the Parties

Project «#»: Commercial and Industrial Standard Offer

The intent of the Sub-Projects¹ identified under this Project «#» is to reduce the commercial and industrial Consumer load served by «Utility» under its Bonneville power sales contract «##».

A. Sub-Project Submission, Approval, and Completion Process

1. General Requirement

«Utility» shall follow the procedures and requirements described below to receive payment from Bonneville for Energy Savings delivered under this Project «#».

2. Sub-Project Proposal Submission Process

- (a) «Utility» shall submit Sub-Project proposals to Bonneville using the Commercial Industrial Proposal Requirements Document (Proposal Requirements Document). The Proposal Requirements Document is incorporated by reference into this Agreement. Bonneville shall provide a dated copy of the Proposal Requirements Document to «Utility». Bonneville may revise this Proposal Requirements Document over the term of this «contract action (additional Project, exhibit revision)» and shall provide «Utility» with updated versions. «Utility» may use either the most current Proposal Requirements Document for Sub-Project proposal submittals or prior versions as provided to «Utility» by Bonneville.
- (b) Upon initial review of «Utility»'s Sub-Project proposal, Bonneville may request additional information and/or clarification of information given.
- (c) Upon completion of the review of a Sub-Project proposal, Bonneville shall provide «Utility» written notice either accepting or rejecting the Sub-Project proposal.
- (d) Once Bonneville's written acceptance is received by «Utility», then «Utility» may proceed with the Sub-Project as provided under this Exhibit A.

¹ "Sub-Projects" shall be defined as those submitted by the utility for separate evaluation and approval in accordance with the process as outlined under this Commercial & Industrial Standard Offer. The term "Project" refers to the entire Commercial and Industrial Standard Offer and includes all "Sub-Projects" as approved by Bonneville.

- (e) The Parties agree that Bonneville's written acceptance of a submitted Sub-Project proposal automatically adds such Sub-Project to this Exhibit A.

3. **Completion Report**

(a) **Elements of Completion Report**

Upon completion of each approved Sub-Project added pursuant to subsection A.2, «Utility» shall provide to Bonneville a written Completion Report² that includes, but is not limited to, the following:

- (i) A description of the equipment installed and how this differs, if at all, from description provided in the original Sub-Project proposal;
- (ii) The actual Energy Savings as determined from the results of the metering and verification plan as agreed upon at the time of Sub-Project approval (include information on the methodology, assumptions, and formulas used);
- (iii) All actual total Sub-Project costs as allowed per the Requirements Document;
- (iv) Any changes in equipment installation or operations from what was described in the Sub-Project proposal;
- (v) The date on which the Sub-Project was installed and made fully operational.

(b) **Additional Information**

- (i) After initial review of the Completion Report, and after consultation with «Utility», Bonneville may ask for additional information it believes is relevant pertaining to the Sub-Project. If Bonneville determines that the Completion Report is still incomplete, Bonneville shall request the «Utility» revise and resubmit the Completion Report based on comments received from Bonneville.
- (ii) Upon completing its review of the Completion Report Bonneville shall provide written notice to «Utility» accepting the report.

B. Implementation Period

«Utility» may begin implementation of this Project «#» upon execution of this «contract action (additional Project, exhibit revision)» and may implement this

² "Completion Report" shall be defined as the report submitted by the utility to Bonneville once the Sub-Project has been successfully installed and put into operation. The "Completion Report" shall contain the information as called for in this Section A.3.

Project «#» through September 30, 2006, provided that all Measures installed under this Project «#» are Completed Units (as defined in section 2(a) in the body of this Agreement) by this date. However:

1. «Utility» may complete measurement and verification activities and submit the Completion Report after September 30, 2006, provided however, such Completion Report shall be submitted no later than September 30, 2007, unless otherwise agreed to by the Parties.
2. «Utility» shall notify Bonneville in writing by October 15, 2006, of the Measures and Sub-Projects that were Completed Units by September 30, 2006, but for which metering and verification has not yet been completed and for which the Completion Report has not yet been submitted.
3. «Utility» cannot invoice Bonneville prior to January 1, 2004 for any Completed Units.

C. Energy Savings

1. The Energy Savings methodology shall be described in the Sub-Project proposal. Bonneville may suggest changes to the Energy Savings methodology outlined for that Sub-Project proposal.
2. The actual Energy Savings for each Sub-Project as shown in the approved Completion Report shall be the basis for payment from Bonneville.
3. Bonneville may request and «Utility» shall make arrangements for site visits by Bonneville representatives, for evaluation of the Energy Savings methodology proposed in a Sub-Project proposal, or as part of its review of a Completion Report.

D. Payment for Energy Savings

Bonneville shall reimburse «Utility» based upon the Energy Savings reported in the accepted Completion Report. The reimbursement amount shall be based upon the measure life as shown in the table below. Bonneville shall reimburse «Utility» the lesser of the appropriate kWh payment (dependent on the Measure Life) or 60% of the Project Cost. The full incentive amount shown in the table below shall be paid to the Consumer, except «Utility» may retain up to 60% of «Utility» incurred "Allowable Project Costs" as defined in Section "E" of the Proposal Requirements Document.

Measure Life	Payment (if based on kWh saved)	Payment (if based on % of Sub-Project cost)
>1 year to 5 years	\$0.035 per first year kWh	60% of total Sub-Project cost
> 5 years but < 10 years	\$0.075 per first year kWh	60% of total Sub-Project cost
10 years or more	\$0.12 per first year kWh	60% of total Sub-Project cost

E. General Eligibility Requirements

1. Commercial/Industrial Proposal Requirements

- (a) Bonneville shall evaluate all Sub-Project proposals using the information provided by «Utility» in the Proposal Requirements Document.
- (b) Bonneville may reject any Measure that does not meet the eligibility requirements as listed in the Proposal Requirements Document.
- (c) Bonneville shall make the final decision as to whether any proposed Measure or Sub-Project proposal meets the eligibility requirements and criteria as stated in the Proposal Requirements Document and whether to accept the Sub-Project proposal.

2. Additional Eligibility Requirements

Bonneville shall also consider the following when determining a Measure's or Sub-Project proposal's eligibility:

- (a) Bonneville shall not pay reimbursements under this Project «#» for Measures that have been paid for under another Bonneville program.
- (b) Bonneville shall not accept residential Sub-Project proposals under this Project «#».
- (c) Bonneville shall not accept agricultural irrigation Sub-Projects under this Project «#».
- (d) Bonneville reserves the right to reject Sub-Project proposals for which it considers the Energy Savings to be insufficient relative to the cost to Bonneville to implement such Sub-Project.

F. Consumer-Triggered Stranded Conservation Investments

- 1. If a Consumer received conservation payments under the terms of this Project «#» and
 - (a) stops purchasing its electricity from «Utility», but
 - (b) continues to operate its commercial and/or industrial facility with electricity provided by any other entity, including energy the Consumer produces from its own generation resources, and
 - (c) the Bonneville payment to «Utility» to achieve any portion of Energy Savings associated with such Consumer is \$100,000 or greater, then

«Utility» shall be responsible for repayment to Bonneville of the resulting stranded conservation investment.

2. The amount of the Sub-Project repayment shall be calculated using the formula in section 14(e) of the main body of this Agreement. The measure life shall be consistent with those provided pursuant to section G, Measure Life, be low.
3. The repayment shall be made within 60 (sixty) business days from when the business ceases to place firm load on «Utility».

G. Measure Life

Notwithstanding section 14 (e)(1) of the main body of this Agreement, the measure life shall be determined by Bonneville and shall be stated in the letter to the «Utility» approving the Sub-Project proposal.

H. Implementation Budget

1. **Implementation Budget Amount**
Bonneville shall make available to «Utility» an Implementation Budget of «budget amount» dollars for this Project «#». The Implementation Budget shall be allocated to each Sub-Project accepted by Bonneville. «Utility» may continue to submit Sub-Project proposals until the Implementation Budget is fully allocated. Bonneville reserves the right to reduce the Implementation Budget during the course of this Project «#» as provided in section H.2, "Budget Review and Adjustment."
2. **Implementation Budget Review and Adjustment**
Bonneville shall periodically review «Utility»'s activities and implementation under this Project «#».
 - (a) In consultation with the «Utility» and after providing 3 months written notice, Bonneville may unilaterally reduce the Implementation Budget. Bonneville shall take into account all factors that «Utility» believes will affect future rates of expenditure. Bonneville shall not reduce the Implementation Budget below:
 - (i) The level needed to meet all commitments previously made in writing by «Utility» to any Consumer (a list of commitments shall be provided to Bonneville); and
 - (ii) The level needed to cover the estimated cost associated with all Sub-Project proposals that have been formally presented to «Utility» by any Consumer, and that, in the opinion of «Utility» have a high likelihood of gaining «Utility» and Bonneville approval. A list of Sub-Project proposals shall be provided to Bonneville.

- (b) If «Utility» expends this Implementation Budget amount prior to September 30, 2006, «Utility» may request additional Implementation Budget. Bonneville shall review the request and may, but is under no obligation to, add additional funds to the Implementation Budget by modification to this Exhibit.

I. Invoicing and Payment

«Utility» may invoice Bonneville upon receipt of Bonneville's written approval of the Sub-Project Completion Report. The procedures described in section 8 of the body of this Agreement, "Invoicing and Payment" shall be followed.

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